

News

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NEW ENGLAND UNEMPLOYMENT RATE RISES TO 4.9 PERCENT IN 2002

The unemployment rate in New England rose 1.2 percentage points over the year to 4.9 percent in 2002, the second consecutive annual increase following an eight-year period of decline. Regional Commissioner Denis M. McSweeney noted that the rise in New England's jobless rate tied for second highest among the nation's nine geographic divisions; even so, New England had the second lowest divisional rate in the country. Just two years earlier, New England's unemployment rate reached a record low of 2.8 percent; its rapid rise reflected the national trend, which saw the overall rate increase from 4.0 percent in 2000 to 5.8 percent in 2002 over the course of the recession.

Each of the six New England states posted an unemployment rate below the national average. Overall, 4 of the 12 states nationwide with unemployment rates below 5.0 percent in 2002 were in New England. Vermont's rate, at 3.7 percent, was the lowest and ranked third nationally--behind South Dakota (3.1 percent) and Nebraska (3.6 percent). Jobless rates in Connecticut, Maine and New Hampshire ranged from 4.3 to 4.7 percent. Rhode Island and Massachusetts posted the highest New England rates at 5.1 and 5.3 percent, respectively. This was the first time since 1997 that any New England state had an unemployment rate exceeding 5.0 percent.

Unemployment rates were up over the year by 1.0 percentage point or more in half of the New England states--Massachusetts, New Hampshire and Connecticut. Massachusetts' rate gain of 1.6 percentage points led New England, and tied New Jersey's increase for third largest among all states nationally. This was the second year in a row that the rates in Massachusetts and Connecticut rose by 1.0 percentage point or more. Jobless rates in Maine and Rhode Island edged up 0.5 and 0.4 percentage point, respectively, while Vermont's rate was essentially unchanged.

The last year in which New England's unemployment rate exceeded the national average was 1992, when it stood at 8.1 percent compared with 7.5 percent for the nation. Over the next eight years, New England enjoyed an improving economy as its unemployment rate fell to 2.8 percent in 2000, well below the 4.0 percent reached nationally. During this period, New England's rate declined 5.3

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percentage points compared with 3.5 percentage points for the nation. With the start of the recession in 2001, rates again began to climb for both New England and the United States. By 2002, New England's unemployment rate was up 2.1 percentage points compared with 1.8 percentage points nationally.

New England was not the only area of the country with a strong increase in its rate over the last two years. Among the nine Census divisions, jobless rates in the East North Central and Mountain increased by 2.0 percentage points to 5.9 and 5.8 percent, respectively, in 2002. Still, these divisions did not have the highest rates in the country. The Pacific division, at 6.8 percent, led all others, followed by the West South Central at 6.0 percent. The West North Central, on the other hand, had the lowest divisional rate in the nation at 4.6 percent in 2002. New England was the only other division with a rate below 5.0 percent.

Technical Note

All estimates presented in this release were derived from the Current Population Survey, a sample survey of about 60,000 households conducted monthly for the Bureau of Labor Statistics by the U.S. Census Bureau. A description of the survey and information about the reliability of the state estimates appear in *Geographic Profile of Employment and Unemployment, 2001*, Bulletin 2556. Effective with this release, data reflect updated population controls, incorporating the results of the Census 2000. The resulting changes to levels for the current and previous years and may also affect unemployment rates and employment-population ratios, unlike the more routine population control updates in other years.

The sums of individual items may not always equal the totals shown in the same tables because of rounding. Also, unemployment rates are computed, in most instances, from unrounded data rather than from data that may be displayed in the tables; differences, however, are generally insignificant. (The example given had nothing to do with summation.)

More complete information on the technical procedures used to develop these estimates, as well as additional data for regions, divisions and states, appear in *Employment and Earnings*, a BLS monthly periodical. Data by region and division begin in 1976; however, state data series vary in length, starting in 1970 for some of the larger states but 1976 for the majority.

Table 1. Labor force status for the U.S., New England, and New England states, 1992-2002 annual averages

Area	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Error range of rate, 2002 ¹
Connecticut												
Employed	1,681,000	1,673,000	1,641,000	1,617,000	1,620,000	1,635,000	1,649,000	1,654,000	1,744,000	1,698,000	1,696,000	
Unemployed	139,000	112,000	97,000	94,000	99,000	88,000	57,000	54,000	40,000	57,000	77,000	
Unemployment rate	7.6	6.3	5.6	5.5	5.7	5.1	3.4	3.2	2.2	3.3	4.3	3.8-4.8
Maine												
Employed	604,000	582,000	569,000	603,000	632,000	626,000	621,000	642,000	664,000	658,000	656,000	
Unemployed	47,000	50,000	45,000	37,000	34,000	36,000	29,000	27,000	24,000	27,000	30,000	
Unemployment rate	7.2	7.9	7.4	5.7	5.1	5.4	4.4	4.1	3.5	3.9	4.4	3.9-4.9
Massachusetts												
Employed	2,876,000	2,945,000	2,982,000	2,994,000	3,035,000	3,131,000	3,166,000	3,179,000	3,230,000	3,268,000	3,301,000	
Unemployed	269,000	219,000	191,000	170,000	137,000	131,000	109,000	105,000	88,000	125,000	185,000	
Unemployment rate	8.6	6.9	6.0	5.4	4.3	4.0	3.3	3.2	2.6	3.7	5.3	4.9-5.7
New Hampshire												
Employed	565,000	575,000	595,000	608,000	597,000	625,000	634,000	650,000	673,000	676,000	672,000	
Unemployed	46,000	41,000	29,000	25,000	26,000	20,000	19,000	18,000	19,000	25,000	33,000	
Unemployment rate	7.5	6.6	4.6	4.0	4.2	3.1	2.9	2.7	2.8	3.5	4.7	4.2-5.2
Rhode Island												
Employed	474,000	472,000	465,000	454,000	468,000	476,000	474,000	484,000	521,000	522,000	528,000	
Unemployed	47,000	40,000	35,000	34,000	25,000	27,000	24,000	21,000	22,000	26,000	28,000	
Unemployment rate	9.0	7.8	7.1	7.0	5.1	5.3	4.9	4.1	4.1	4.7	5.1	4.6-5.6
Vermont												
Employed	290,000	299,000	300,000	305,000	309,000	314,000	319,000	326,000	324,000	328,000	336,000	
Unemployed	21,000	17,000	15,000	14,000	15,000	13,000	11,000	10,000	10,000	12,000	13,000	
Unemployment rate	6.7	5.5	4.7	4.2	4.6	4.0	3.4	3.0	2.9	3.6	3.7	3.3-4.1
New England												
Employed	6,489,000	6,546,000	6,552,000	6,581,000	6,661,000	6,807,000	6,864,000	6,935,000	7,156,000	7,150,000	7,190,000	
Unemployed	568,000	479,000	412,000	374,000	335,000	315,000	250,000	236,000	203,000	272,000	367,000	
Unemployment rate	8.1	6.8	5.9	5.4	4.8	4.4	3.5	3.3	2.8	3.7	4.9	4.7-5.1
United States²												
Employed	118,492,000	120,259,000	123,060,000	124,900,000	126,708,000	129,558,000	131,463,000	133,488,000	136,891,000	136,933,000	136,485,000	
Unemployed	9,613,000	8,940,000	7,996,000	7,404,000	7,236,000	6,739,000	6,210,000	5,880,000	5,692,000	6,801,000	8,378,000	
Unemployment rate	7.5	6.9	6.1	5.6	5.4	4.9	4.5	4.2	4.0	4.7	5.8	5.7-5.9

¹ Error ranges are shown at the 90-percent confidence level.

² Because of the separate processing and weighting procedures, totals for the United States differ from the results obtained by aggregating data for regions, divisions, or states.

Note: Region and division data are derived from summing the component states. Subnational data incorporate updated 2000 census-based population controls.

Table 2. Employment status of the civilian noninstitutional population 16 years of age and over by region and division, 2001-2002 annual averages
(Numbers in thousands)

Census region and division	Civilian labor force		Employed		Unemployed		Unemployment rate		Error range of rate, 2002 ¹
	2001	2002	2001	2002	2001	2002	2001	2002	
Northeast	27,070	27,576	25,883	26,026	1,187	1,550	4.4	5.6	5.4 - 5.8
New England	7,422	7,556	7,150	7,190	272	367	3.7	4.9	4.7 - 5.1
Middle Atlantic	19,648	20,020	18,734	18,836	915	1,183	4.7	5.9	5.7 - 6.1
South	50,296	50,711	47,922	47,861	2,374	2,849	4.7	5.6	5.5 - 5.7
South Atlantic	26,479	26,682	25,283	25,255	1,197	1,427	4.5	5.3	5.1 - 5.5
East South Central	8,285	8,293	7,868	7,821	417	472	5.0	5.7	5.4 - 6.0
West South Central	15,531	15,735	14,771	14,785	760	950	4.9	6.0	5.7 - 6.3
Midwest	34,265	34,125	32,711	32,247	1,554	1,878	4.5	5.5	5.3 - 5.7
East North Central	23,637	23,410	22,496	22,024	1,141	1,385	4.8	5.9	5.7 - 6.1
West North Central	10,628	10,716	10,215	10,223	413	493	3.9	4.6	4.4 - 4.8
West	32,428	32,947	30,722	30,811	1,706	2,136	5.3	6.5	6.3 - 6.7
Mountain	9,502	9,707	9,074	9,148	427	559	4.5	5.8	5.5 - 6.1
Pacific	22,926	23,240	21,647	21,663	1,279	1,577	5.6	6.8	6.6 - 7.0

¹ Error ranges are shown at the 90-percent confidence level.

Note: Region and division data are derived from summing the component states. Data incorporate updated 2000 census-based population controls.

Regions are defined as the four Census regions, comprised as follows:

Northeast Region includes the New England Division - Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont; and the Middle Atlantic Division - New Jersey, New York, Pennsylvania.

South Region includes the South Atlantic Division - Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and West Virginia; East South Central Division - Alabama, Kentucky, Mississippi, and Tennessee; and West South Central Division - Arkansas, Louisiana, Oklahoma, and Texas.

Midwest Region includes the East North Central Division - Illinois, Indiana, Michigan, Ohio, and Wisconsin; and the West North Central Division - Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.

West Region includes the Mountain Division - Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming; and the Pacific Division - Alaska, California, Hawaii, Oregon, and Washington.